

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0605-01  
Bill No.: SB 126  
Subject: Health Care Professionals; Medicaid; Mental Health  
Type: Original  
Date: January 25, 2011

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Bill Summary: This legislation prohibits the MO HealthNet Division from discriminating between licensed marital family therapists and licensed professional counselors.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(\$2,283,514)	(\$2,838,864)	(\$2,941,063)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$2,283,514)</b>	<b>(\$2,838,864)</b>	<b>(\$2,941,063)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Income and cost would net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **Section 208.152:**

In response to a similar proposal from this year (HB224), officials from the **Department of Health and Senior Services** and the **Department of Insurance, Financial Institutions & Professional Registration** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Mental Health (DMH)** assume the proposed changes would not impact counselors used by DMH therefore, DMH assumes this proposal has no fiscal impact.

In response to a similar proposal from this year (HB224), officials from the **Department of Social Services (DSS)** state this section is revised by adding new subsection (12) requiring that the MO HealthNet Division reimburse licensed professional counselors (LPCs).

Currently, this section allows reimbursement for the provision of psychology and counseling services to children by psychologists, provisionally licensed psychologists, licensed or provisionally licensed professional counselors, licensed or provisionally licensed clinical social workers, licensed psychiatrists and psychiatric clinical nurse specialists.

ASSUMPTION (continued)

Reimbursement is allowed for adults receiving psychology and counseling services provided by a licensed psychiatrist, licensed psychiatric clinical nurse specialist and licensed psychologist as well as licensed or provisionally licensed clinical social workers who are members of Federally Qualified Health Care centers (FQHC) or Rural Health Centers (RHC). However, reimbursement is not allowed for these services provided to adults by a licensed or provisionally licensed professional counselor.

In order to estimate the possible expenditure for allowing reimbursement to LPCs for services provided to adults, a proxy was found by reviewing the expenditures for services provided to children and adults by psychologists. The expenditures for adults were about 63.97% of the expenditure for children. Therefore, the same percentage was applied to expenditures for LPCs for children to estimate the possible expenditure for adults. The amount expended in FY09 for LPCs for children was \$11,668,745. Therefore, the annual amount estimated for adults is \$7,464,496 ( $11,668,745 \times 63.97\% = \$7,464,496$ ). The cost for FY12 is for 10 months and 3.6% medical inflation was applied to FY13 and FY14.

FY12: \$6,220,413 total (\$2,283,514 GR);  
FY13: \$7,733,218 total (\$2,838,864 GR);  
FY14: \$8,011,614 total (\$2,941,063 GR).

**Oversight** notes that states can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE FUND</b>			
<u>Costs - Department Social Services</u>			
Program Costs	<u>(\$2,283,514)</u>	<u>(\$2,838,864)</u>	<u>(\$2,941,063)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$2,283,514)</u></b>	<b><u>(\$2,838,864)</u></b>	<b><u>(\$2,941,063)</u></b>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2012 (10 Mo.)	FY 2013	FY 2014
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**FEDERAL FUNDS**

<u>Income</u> - Department of Social Services Federal Assistance	<u>\$3,936,899</u>	<u>\$4,894,354</u>	<u>\$5,070,551</u>
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<u>Costs</u> - Department of Social Services Program Costs	<u>(\$3,936,899)</u>	<u>(\$4,894,354)</u>	<u>(\$5,070,551)</u>
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

**Section 208.152:**

The proposed legislation provides that the MO HealthNet Division shall not discriminate between licensed marital family therapists and licensed professional counselors when promulgating rules or when requiring or recommending services that legally may be performed by licensed marital family therapists and licensed professional counselors.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Health and Senior Services  
Department of Social Services  
Office of the Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
January 25, 2011